

TRAFFORD BOROUGH COUNCIL

Report to: Executive and Council
Date: 21 February 2024
Report for: Decision
Report of: Executive Member for Finance, Change and Governance and the Director of Finance and Systems

Report Title

Executive's Revenue Budget Proposals 2024/25 & MTFS 2025/26 - 2026/27

Updated Recommendations (d) and (l) highlighted

That the Executive recommend to Council that it :-

- a) Approves the 2024/25 net Revenue Budget of £217.83m.
- b) Approves the 2025/26 to 2026/27 Medium Term Financial Strategy (MTFS) including the income and savings proposals.
- c) Notes the continued arrangements in relation to an enhanced Finance and Change Programme and the role of the Finance and Change Board who will continue to work with the Executive on the development of sustainable budget plans to support the Council in meeting the financial challenges from 2025/26 onwards
- d) Approves the calculation of the Council Tax Requirement as summarised in Section 8.1 and set out in the Formal Council Tax Resolution in **the updated Annex J** (any update for changes in Mayoral Police and Crime Commissioner or Mayoral General (incl. Fire Services) Precepts, if any, will be tabled at the Council Meeting);
- e) Approves the proposal to increase Council Tax by 4.99% in 2024/25:
 - o 2.99% general increase in the 'relevant basic amount' in 2024/25, and
 - o 2.00% for the 'Adult Social Care' precept in 2024/25.
- f) Notes the assumptions in the MTFS to increase Council Tax by
 - o An increase in the 'relevant basic amount' of 1.99% in 2025/26 and 2026/27, and
 - o for the 'Adult Social Care' precept in 1% in 2025/26 and 2026/27.
- g) Approves the planned application of earmarked reserves as detailed in Section 6.
- h) Approves the Fees and Charges for 2024/25 and those relating to Registration of Births, Death & Marriages and Allotments also shown for 2025/26, as set out in the Fees & Charges booklet.

- i) Delegates authority jointly to each Corporate Director in consultation with the Council's Director of Finance and Systems to amend fees and charges which are within their respective delegated powers during 2024/25 in the event of any change in VAT rate, as appropriate.
- j) Delegates authority jointly to each Corporate Director in consultation with the Council's Director of Finance and Systems to amend fees and charges during 2024/25 which are within their respective delegated powers where the economics of the charge levels have changed (e.g. costs have risen unexpectedly), or for commercial reasons.
- k) Approves the proposal to set the minimum level of General Reserve for 2024/25 at £10.5m (Section 6).
- l) Approves the Capital Strategy, Prudential and Local Indicators and overall level of the Capital Programme and Asset Investment Fund of £413.15m (as detailed in the Capital Strategy, Capital Programme & Prudential Indicators 2024/27) of which £152.20m relates to 2024/25 (incl an updated Appendix 2).
- m) Approves the Treasury Management Strategy 2024/25 to 2026/27, including the Debt Strategy (Section 4), the policy on Minimum Revenue Provision (Section 5) the Treasury Investment Strategy (Section 6) and the Prudential Indicators, including the Authorised Limit (as required by Section 3(1) of the Local Government Act 2003, Operational Boundary, Minimum Revenue Provision and investment criteria as set out in Appendix 2 of the report.
- n) Approves the flexible use of capital receipts of up to £0.85m in 2024/2025 to support the cost of the Modernisation Team in developing the Council's Finance and Change Programme.
- o) Approves the proposed distribution of Dedicated Schools Grant as recommended by the School Funding Forum and Executive as summarised in Section 7 and detailed in Annex I.
- p) In the event the outcome of the secondary consultation relating to the Fair Price of Care changes the proposed budget assumptions, delegates authority to the Director of Finance and Systems, in consultation with the Executive Member for Finance, Change and Governance, to vary the net Revenue Budget for 2024/25, with any shortfall being met from the Budget Support Reserve.
- q) Delegates authority to the Director of Finance and Systems, in consultation with the Executive Member for Finance, Change and Governance, to vary the net Revenue Budget for 2024/25, once the Baseline Funding has been updated to reflect the changes in Public Health Grant.

and confirms that in recommending approval of the above, it has taken into consideration:

- r) The objective assessment by the Director of Finance and Systems of the robustness of budget estimates and adequacy of the financial reserves (Section 1 and 6).
- s) The Executive's response to the Scrutiny Committee's recommendations to the budget proposals as included in a separate report on the agenda.
- t) The Council's Public Sector Equality duty.
- u) The results of the consultation on the budget proposals where required.

In addition, the Executive recommends that Council notes the following:

- v) The approval on 4 January 2024 under delegated powers by the Director of Finance and Systems of the Council Tax Base for 2024/25 at 79,362 Band D equivalents.
- w) The estimated Council Tax surplus for 2023/24 has been calculated at £0.953m, sufficient to release £0.775m to support the Council's budget plans and a distribution of £0.124m and £0.055m representing the respective shares of the Mayoral Police and Crime Commissioner Precept and Mayoral General Precept (including Fire Services).
- x) The base budget assumptions as set out in the Medium-Term Financial Strategy (MTFS) as detailed in Annex A.
- y) The budget gap for the two years 2025/26, £15.39m and 2026/27, £14.22m.
- z) That the Capital Programme for 2024/25, 2025/26 and 2026/27 is to be set at an indicative £152.20m, £231.48m and £29.48m respectively (indicative at this stage as a number of capital grants are not yet known).
- aa) That the Council Tax figures included in the report for the Mayoral Police and Crime Commissioner Precept and Mayoral General Precept (including Fire Services) are the recommended provisional amounts pending their formal approval.